appearing in the June 1941 issue of Click

[redacted]

Harold Weisberg, having been first duly sworn, deposes and says: that in connection with the story on the Rohm & Haas Company and affiliates, that he had occasion to interview Mr. J. [illegible] Willis, Director of Rohm & Haas Co., and Charles Lennig & Co., and Mr. [illegible] C. [illegible], Secretary of the various Rohm & Haas Companies on March 27th and 28th, 1941.

Mr. Willis said that he has known Mr. Otto Haas, President of the various Rohm & Haas Companies for forty years, and that Mr. Haas was a bank employee in Germany before becoming an American naturalized citizen.

Mr. Willis gave the following background of the Rohm & Haas business in the United States. The first product was [illegible], a substitute for [illegible] of importance in the tanning industry. During the World War the Alien Property Custodian took over the Rohm & Haas business, the Defense Council, [illegible] quasi-Government agency, said the company was important in the national defense, and Mr. Haas, who had taken out his first papers but was not yet a citizen, was treated as though he were a citizen, and allowed to participate in the company's business activity. The directors were appointed by the U. S. Government. At the end of the war the Government sold the 50% interest of Otto Rohm in the company. At about that time Mr. Haas visited Mr. Willis and told him that an employee of the company had overheard the Government people in the plant say that the interest of Mr. Rohm was to be sold. Mr. Haas suggested that Mr. Willis might be able to interest some of his people, meaning the New Castle Leather Company (subsequently New Castle Leather Division of the Allied [illegible] Corporation) in purchasing this interest. Mr. Willis and Mr. Haas had known each other prior to this time and were on fairly intimate terms as a result of the use of [illegible] in Mr. Willis' business. Mr. Willis could not interest the New Castle Leather Co. into buying into Rohm & Haas Company, but he presented the proposition to the American Hair & Felt Co. of Chicago, of which he was then vice-president and a member of the executive committee. This company authorized an inspection of the Rohm & Haas plants, and subsequently authorized Mr. Willis and Van [illegible] [illegible] (President of the A. H. & F. Co. and the responsible officer of the Defense Council, probably president or chairman) to bid up to $[illegible] for Mr. Rohm's one-half interest in the Rohm & Haas Co. They bought this interest in the Rohm & Haas Co. for $[illegible]. The American Hair & Felt Co. was represented by the following directors of Rohm & Haas: Van [illegible] [illegible], J. [illegible] Willis, and E. E. [illegible], of Newark, New Jersey.

Several years later Mr. Willis was again approached by Mr. Haas who said he would like to buy this interest back, and that he would pay $400,000 for it. After Mr. Willis presented this proposition to the American Hair & Felt Board, it came to the conclusion that because the Rohm & Haas business did not exactly fit in with that of A. H. & F., A. H. & F. would accept the proposition. (At this time the business of A. H. & F. was largely a cooperative sales function, that is, it sold by-products, such as hair, of the tanning industry, and at the end of each year divided its profits on a percentage basis among those whose products it had marketed.)

At first Mr. Willis placed the date of this transaction at 1920, and then said that it was just a bit later than that. A short while later Mr. Haas again came to Mr. Willis and said, "Well, I have paid all the obligations off to the American Hair & Felt Co.". He asked Mr. Willis to continue to serve as a director. Mr. Willis did. He said that he owns "a little" stock.

Mr. Willis said that Rohm & Haas "controls" the Resinous Products and Chemical Company and the Charles Lennig Company.

He also said that they own "thousands of acres" of pine woods in Georgia, and in addition, they rent additional pine acreage from the Government. Mr. Willis said that Rohm & Haas has for years had a working agreement with I. G. Farbenindustrie. His son in-law, an employee of Rohm & Haas, has been in Mexico and Cuba recently straightening out difficulties in the business. Mr. Willis said that this had been made necessary by the neglect of certain aspects of the business by I. G.'s representatives. It was the duty of Mr. Willis' son in-law to "clean up" after the I. G. people. Mr. Willis said that he knew of some cases in which Rohm & Haas had refused to sell some of their products, but he gives no details.

Much of the work on Plexiglas he said was done in Pittsburgh, he believed, by the Pittsburgh Plate Glass Company. He said he knew of no royalty payments on Plexiglas and that so far as he knew, Rohm & Haas had worked on Plexiglas for two years before marketing it.

Dr. Charles S. Hollander, Mr. Willis said, was the company's first chemist. He has now retired to Torresdale, Pennsylvania. Dr. Hollander is still an officer of the corporation, but apparently does not take part in its management. Torresdale is a suburb of Philadelphia, between Philadelphia and Bristol, Pennsylvania, the site of the Rohm & Haas plant.

of its stock held by Mr. Haas as trustee for the partnership of Rohm & Haas, Mr. Kelton said. (This statement is at variance with the annual reports and original papers of incorporation examined by deponent at the Corporation Section of the State of Delaware Government. ~~by the deponent.~~) Under the Trading With the Enemy Act the company reported the interest of Dr. Rohm to the Federal Government which then stepped in. Mr. Kelton estimated Dr. Rohm's interest at this time at about 40% and perhaps more. He said it was sold by the Government to the Tanners Council, (rather than to A. E. & F.). He [illegible]ly denied that Mr. Haas personally had bought this interest back and said that it had been bought by Mr. Haas for Rohm & Haas Co. As of today, Mr. Kelton said that all the stock in Rohm & Haas Company is owned by the officers, directors or a few employees of the company, except for some stock owned by the wife of Otto Haas.

Mr. Kelton referred to all of the above information as "ancient history", and said that he hoped deponent would have no occasion to mention it in the story deponent was going to write for the magazine.

Mr. Kelton said he was aware of these details of the corporation's history because after two years of law practice in Boston following graduation from Harvard, he joined the company in 1926 and has been with it ever since.

Mr. Kelton said that in 1920 the company bought all but less than 5% of the stock of the Charles Lennig Company. The small interest was held by Frederick Lennig, who died several years ago and whose interest is still held by the trust fund he established. (Corporation papers filed with the State of Delaware examined by deponent show that at one time Frederick Lennig filed the annual report on behalf of Rohm & Haas Co.)

Resinous Products ~~and~~ & Chemical Company is not a subsidiary of Rohm & Haas, Mr. Kelton said. He said that Mr. Haas and Edgar C. B. Kirsopp, a former British Army officer, owned 70% of the stock and the other 30% at the time of organization belonged to Chemische Fabriken, Dr. Kurt Albert, A.G. Haas and Kirsopp put up cash and Chemische Fabriken put up no cash but patent rights for its interest in the corporation. Mr. Kelton insisted that Chemische Fabriken never interfered in the affairs of the American Corporation, but he finally admitted that Dr. August Amann, a director of Chemische Fabriken spent several months in the United States at the time of the organization of Resinous Products and participated in this organization because of his "technical knowledge".

Mr. Willis and Mr. Kelton also are not active in the affairs of the corporation, Mr. Willis said.

According to Mr. Willis, Otto Haas runs the business and keeps up with all of its details. Mr. Willis professed amazement at the ability of Mr. Haas to actually do the work. ~~on this~~

The interview with Mr. Willis was in his office at the New Castle Leather Division of the Allied Kid Corporation, Wilmington, Delaware, beginning at about 10:00 a.m., March 27, 1942. At the end of the interview, Mr. Willis said that he was going to see Mr. Haas later that day at about 3:00 o'clock, and deponent told Mr. Willis that he, too, would try to see Mr. Haas at that time.

At about 3:00 o'clock deponent told the information clerk at the Rohm & Haas Company, 222 W. Washington Square, Philadelphia, Pennsylvania, that he would like to speak to Mr. Haas. Shortly thereafter, a boy led deponent to Mr. Kelton's office and introduced Mr. Kelton.

In some respect Mr. Kelton's statements do not agree with those of Mr. Willis. Mr. Kelton said that Mr. Haas was not in and that Mr. Willis had spoken to Mr. Haas by phone. Later in the interview, after someone, presumably a company employee, had told Mr. Kelton that Mr. Haas was in his office, Mr. Kelton left the room, and upon [illegible] said Mr. Haas had just introduced him to Mr. Willis, [illegible] that he had never met Mr. Willis before, although [illegible] has been an officer of the corporation for approximately [illegible] years.

Mr. Kelton was quite nervous and repeatedly said that the best way to fight Hitler was to say nothing about the connections with the Nazis or Nazi corporations of such corporations as the Rohm & Haas Company, which were engaged in national defense orders, and would be embarrassed by "[illegible]" and "rumors".

Mr. Kelton professed to be very Anti-Nazi, said he had from the beginning of the current European war favored an immediate declaration of war against Germany by the United States; said that the Rohm & Haas Company had refused orders from Japan and in other respects attempted to show the opposition of both the company and himself ~~to present~~ German regime.

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The orders he had refused were for a shipment of eighteen gallons of one of the company's products having to do with gasoline to the Siamese Government and an order for 500 gallons of the same product from the Japanese Government. Some of the correspondence, all of recent date, on the order from the Japanese Government was shown the deponent. One of these letters written by Mr. Kelton to the State Department in Washington was phrased in a manner calculated to persuade the State Department to refuse a license for the sale. Evidently a license was refused.

Mr. Kelton had nice things to say about the duPont Company. He emphasized the point that there was no difference between Lucite and Plexiglas, except perhaps a little twist or a greater skill in some of the manufacturing processes by the Rohm & Haas Company. Because of an old patent infringement case, with which Mr. Kelton assumed deponent was familiar ~~with~~, there was an arrangement made by the duPont Company and the Rohm & Haas Company which Mr. Kelton said was working very nicely and under which both products were marketed ①. Mr. Kelton gave no details of this arrangement, but said that had it not been made, litigation would have prevented both companies from manufacturing and marketing their respective products.

When asked if Plexiglas, the Rohm & Haas product, was manufactured in Germany, Mr. Kelton said he "assumed" that it was, but said he did not know by what company.

When asked if the Rohm & Haas Company or any of its affiliates had any direct or indirect connections with I. G.; Rohm & Haas A.G.; Chemische, Fabriken, Dr. Kurt Albert, A.G.; and Th. Goldschmidt A.G., Mr. Kelton replied "None at all".

Mr. Kelton suggested when deponent started to take notes that this was unnecessary, and he attempted to persuade deponent not to take notes. Mr. Kelton had this to say of the early history of Rohm & Haas Company: The Company was first organized in either 1908 or 1909. Mr. Haas had previous to this date been in the United States on behalf of a corporation which Mr. Kelton did not identify. Mr. Otto Rohm, an old friend of Mr. Haas, in Darmstadt, Germany, wrote Mr. Haas and described his invention, the substitute for dog-manure, and asked Mr. Haas to return to Germany and discuss with him the possibilities of marketing this product. Mr. Haas, according to Mr. Kelton, did return to Germany, and at that time he and Mr. Rohm organized a partnership, known as Rohm & Haas, with Mr. Rohm managing the German branch and Mr. Haas managing the United States branch. At the end of each year Mr. Kelton said profits were divided between the two partners.

At the time of the United States entry into the World War, Rohm & Haas Co., Inc. a Delaware corporation, was formed, with all

As of today, however, Mr. Kelton said that there are no German technicians in any of the plants of any of the Rohm & Haas Companies. Mr. K. Haller, a former director of Resinous Products died in December of 1940 and has not yet been replaced, Mr. Kelton said. Of the other directors who lived in Germany, Mr. Kelton said he knew nothing. He also professed to know nothing about the holdings of Chemische Fabriken's stock of Resinous Products by the Luxembourg Corporation, and he later specifically denied an earlier statement of a relationship between Chemische Fabriken and this Luxembourg Corporation. Subsequently he admitted that the Luxembourg Corporation was Chemie Holding S.A. of which he said he knew nothing. Recent Dividends paid on the stock of Chemische Fabriken have not reached Germany because of the Executive order freezing Luxembourg assets in this country, Mr. Kelton said.

While he had denied any connection of any sort with Germany of any of the Rohm & Haas enterprises, Mr. Kelton, by this time, admitted that they paid royalties to German corporations. He here insisted that no royalties were paid to I. G. Farbenindustrie, although he admitted I. G. had assigned patent rights to Rohm & Haas Co. To the Goldschmidt corporation royalties were paid for the use of Tego, but these were paid "to the New York Corporation", Mr. Kelton said. There were, he admitted, royalty payments to Rohm & Haas, A.G., but these, he insisted, were "small". He refused to state the sums of any of the payments to German corporations. There were no other royalty arrangements with German concerns, he said. He admitted licensing arrangements, and said that the manufacture of Plexiglas was licensed. He said that with the beginning of the current war he had given orders that the payment of royalties show no information at all, not even the basis for the payments. Thus, he pointed out, it was impossible for licensors to estimate the extent of production of any specific product by any of the Rohm & Haas Companies.

Mr. Kelton made quite a point of the practice he said he had instituted of seeing to it that no information of any conceivable value could reach Germany through Rohm & Haas. He said he even gave orders that copies of patents obtainable in unlimited quantities at 10¢ each at the United States Patent Office be no longer sent to Rohm & Haas, A.G., or any of the other German companies. He said he had given strict instructions to the sales and export departments not to give out any technical information in any of the letters. Mr. Kelton made such a point of this, however, that he made [illegible] suspicious, especially when he showed [illegible] a memorandum, dated [illegible], in which he listed all requests for information from [illegible] companies which had been refused.

Mr. Kelton said that his companies made sales directly to the British Government and also sold products to manufacturers in the United States, whose products were dispositioned for Great Britain. Plexiglas and other products, he said, are sold in considerable quantity to Canada and South American countries. Mr. Kelton made no satisfactory explanation of the question asked him by the deponent: How could Rohm & Haas, A.G., which had had assigned to it the rights to the United States and not elsewhere by the inventor of the basic plexiglas patents, assign greater rights, that is, to Canada, South America and the British Isles to the assignee, Rohm & Haas Co., Inc? Mr. Kelton did say that there had been no complaints about these sales from the German company, and that such sales were not a violation of the license for the use of these patents. Mr. Kelton did say "We cannot sell to Europe" and at the same time insisted that the sales to the British Government did not violate the licensing agreement.

When asked by deponent what had happened to Rohm & Haas A.G. after the death of Otto Rohm two years ago, Mr. Kelton said he "presumed" that Otto Rohm's son ran the business. He insisted there was no connection between Rohm & Haas, Inc. and Rohm & Haas A.G.

When asked by deponent about a lengthy list of patent assignments recorded in the United States Patent Office on December 12, 1940, all assigned to Rohm & Haas Co. by Rohm & Haas, A.G. Mr. Kelton had no satisfactory explanation, but he said he assumed this was but a bookkeeping detail collected into a document patents that had previously been assigned. He ~~[illegible]~~ subsequently stated that this transaction could not be considered as anti-Hitler activity by the German company. He admitted that all patent assignments and licensing arrangements subsequent to the accession of power by Hitler had been approved in advance by the Hitler Government.

Mr. Kelton hemmed and hawed, and talked much without saying anything when questioned about the incorporation of Resinous Products, about the similarity between its powers and those of Rohm & Haas, about the dummies who set up a corporation, etc., but finally [illegible] to this story: Resinous Products was incorporated in order to ~~[illegible]~~ keep Chemische Fabriken [illegible] Rohm & Haas, described by Mr. Kelton as "a good thing". He said that there was no reason to allow others (meaning Chemische Fabriken) to come into a business which had been as successful as Rohm & Haas and which gave every promise of being even more successful in the future. (He did not show why it was necessary for "others" to come into Rohm & Haas, however.) The dummies were used, he said, to eliminate the necessity for anyone to make the trip to Wilmington, Delaware, a distance of about thirty miles. He said the dummies met on the day that the corporation papers were filed, elected officers, and assigned their stock to the actual owners. He showed deponent minutes of this but turned the pages so fast that it was impossible for deponent to read them. However, deponent did notice among the officers and directors of Resinous Products two names identified by Mr. Kelton as employees. These two names do not appear on the papers filed with the Corporation Records Section of the State of Delaware. One of the names deponent believes was "Clayton".

Pursuant to a telephone call on March 28, 1940, deponent again interviewed Mr. Kelton at about 2:30 P.M. a Mr. Green, connected with the public relations work presumably of Resinous Products, joined Mr. Kelton shortly after the beginning of this interview. Mr. Kelton began by saying there were several points raised the previous day that he had thought over or discussed with Mr. Haas, or looked up. He made a great point of the cooperation referred to above, listing the occasions upon which he said he prevented "valuable" information from leaving the country.

Then he went to the question of royalties. He said he had on the previous day declined to answer questions about the extent of royalties because he ~~quite~~ considered this information none of anybody's business. He said that the royalties paid for the use of the patents covering Plexiglas were less than one-half of all the royalties paid. On this occasion he admitted paying royalties to I. G. Farbenindustrie for the use of tanning processes, but refused to state the amounts, repeating that they, too, were small.

Mr. Kelton returned to the long list of patent assignments referred to above, and said that while from memory based upon his knowledge of the corporation's policy, his statements had been substantially correct, there was additional information which he gave: A sort of "pool" had been set up by Rohm & Haas and Rohm & Haas A.G. in 1924 and 1925, and that some of the assignments had been incomplete, etc., and they were wound up by this transaction. He thought the arrangement could be called a complete arrangement. Rohm & Haas Co. got the American rights to Rohm & Haas A.G. patents and vice-versa. Rohm & Haas Co. pursuant to this arrangement paid royalties to Rohm & Haas A.G., but Rohm & Haas A.G. paid no royalties to Rohm & Haas Co.

Mr. Kelton said he had spoken to Mr. Haas about the management of the Rohm & Haas A. G. business, and reported that Mr. Haas believed it was run by Dr. Rohm's two children, a son and a woman. Mr. Kelton and Mr. Green admitted the shipment of certain products to the South American market, including Plexiglas and Tego - bonded plywood for airplanes and boats. In the course of his investigation, deponent found that up until the middle of March, 1940, there had been the following patent assignments registered in the United States Patent Office:

To Rohm & Haas A.G., 58; to Rohm & Haas, Inc., 97; to Resinous Products, 68; and others to Charles Lennig Co. Of all the patent assignments to Rohm & Haas Co. only 40 preceded the advent of Hitler. Of the assignments to Rohm & Haas A.G., only one followed the accession of Hitler.

in The basic patents on plexiglas No. 1,[illegible] and No. 1,[illegible] were assigned to Rohm & Haas Co. by Rohm & Haas, A.G. and the lengthy assignment referred to above and attached hereto.

Deponent has obtained second-hand information of the establishment of a west-coast plant by Rohm & Haas Co. in Los Angeles for the manufacture of plexiglas. This plant is not yet built.

PRINZ

In company with Otto Prinz, a photographer for the Philadelphia Inquirer, deponent attempted to locate the plant of Resinous Products Co. on April 1, 1942. It was impossible to find this plant, which according to the company is located in the Bridesburg section of Philadelphia, a heavy industrial section. However, the Charles Lennig plant was located and part of this plant seems to the deponent to be the plant identified as the Resinous Products Co. plant in the company's pamphlet on [illegible], which deponent has previously submitted to Mr. [illegible]. Neither did deponent or Mr. Prinz see any identification of the Resinous Products Co. on any of the many buildings enclosed within a continuous fence surrounding the plant area. Many of the buildings are new. The buildings extend north along Frankford Creek, ~~adjoining the~~ flanking Frankford Arsenal. This led deponent to believe that there is no actual manufacturing undertaken by Resinous Products and that Resinous Products is a paper organization.

Further deponent sayeth not.

(Signed) ______________

Attached and made part hereof are the following documents: